

# AEGON DOMESTIC

BOND FUND

## GENERAL INFORMATION

**ISIN code:** HU-0000702493

**Bloomberg kód:** AEGDOME HB Equity

**Fund Manager:** AEGON Magyarország Befektetési Alapkezelő Zrt.

**Custodian:** Citibank Europe plc Magyarországi fióktelepe

**Main distributor:** AEGON Magyarország Befektetési Jegy Forgalmazó Zrt.

**Distributors:** CIB Bank Zrt.; Citibank Europe plc Magyarországi Fióktelepe; Codex Értéktár és Értékpapír Zrt.; Equilor Befektetési Zrt.; ERSTE Befektetési Zrt.; UniCredit Bank Hungary Zrt.; Raiffeisen Bank Zrt.; Magyar Takarékszövetkezeti Bank Zrt.; BNP Paribas Magyarországi Fióktelepe; Commerzbank Zrt.; Concorde Értékpapír Zrt.

**Launch Date of the Fund:** 16.03.1998

**Currency:** HUF

**Benchmark:** 100% MAX Index

**Net Asset Value (HUF):** 4 848 424 517

**Net Asset Value per share:** 2.783216

## The asset allocation of the Fund, 31.07.2009

Hungarian Government Bonds	89.95%
Hungarian T-bills	9.15%
Current account	0.23%
Government paper repo	9.43%
Other assets	-8.77%
Total investment assets	100.00%
Net corrected leverage	23.02%
Derivative products	0.00%

Foreign investors bought government securities to the value of 230 billion forints in the last month, which resulted 150 basis points decrease in yields. Expected reduction of the base-rate have become extensive (especially after that Hungary remained almost the only emerging market, where it has significant room), which can provide support to the bond market in the near future as well. The Fund's performance continues to be extremely sensitive to changes in international sentiment.

## NET Yield Performance of the Fund:

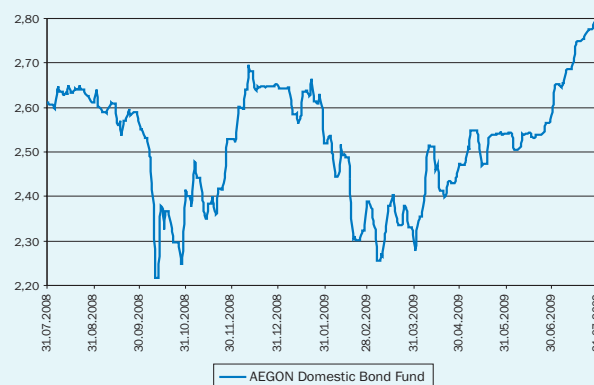
Time horizon	12 months	2008 year	2007 year	2006 year	2005 year	2004 year
Net return of the Fund*	6.50%	2.47%	4.56%	7.06%	8.43%	13.07%
Benchmark performance**	5.09%	1.80%	4.92%	5.43%	7.45%	12.10%

\* It shows the net performance of the fund until 31/07/09

The Fund was launched on 16/03/98

\*\* The net return of the benchmark index.

## THE NET PERFORMANCE OF THE FUND BASED ON THE NET ASSET VALUE PER SHARE



Past performance is no guarantee of future results. This report should not be considered as an offer or investment advisory. The Fund Prospectus contains the detailed conditions of the investment. The distribution costs of the fund purchase can be found at the distributors.

## Investment Policy of the Fund:

Only Hungarian Government Securities, debt securities guaranteed by the Hungarian state, corporate bonds, debt securities issued by local governments can get into the portfolio of the Fund. In order to decrease the risk of the portfolio the fund manager analyses the risk factors of the securities, and confirms the decisions taking with thorough calculations. By choosing a security one of the important factors is that the security should be liquid. Thanks to the professional diversification and the active portfolio management the fund provides its investors with a low risk – high yield investment alternative.

## Investment horizon:

Suggested minimum investment period

3 months
  1 year
  2 years
  3 years
  5 years

Risc Scale

very low
  moderate
  high

## Market Summary:

AEGON Domestic Bond Investment Fund achieved 7.20% positive return in July, thanks to a strong foreign interest in the domestic government gilt-edged securities. Compensating the losses suffered from early this year, our Fund became one of the biggest winner of the market, due to the favorable investor sentiment and declining global volatility.